



NEWS RELEASE

Internal Revenue Service - Criminal Investigation
Los Angeles Field Office
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IRS Fugitive from Orange County Arrested in Germany on Tax Charges

Los Angeles – Five years after being indicted by a federal grand jury on federal tax charges, a man living outside the jurisdiction of the United States was arrested by German authorities and has been involuntarily extradited back to the U.S. to stand trial for the charges contained in the indictment.

Donald M. Baxi, 69, a Canadian citizen formerly residing in Ladera Ranch, was escorted from Los Angeles International Airport to federal custody by U.S. Marshals Service deputies upon his arrival last night.

Baxi was arrested in Frankfurt, Germany approximately six months ago in connection with the case and has been detained in Germany at the request of the United States pending extradition proceedings.

In November 2010, a federal grand jury indicted Baxi on six counts of aiding and assisting in the preparation of false income tax returns. Upon learning of those charges, Baxi fled the U.S.

The indictment alleges that Baxi underreported gross receipts or sales for two partnerships by over \$1.2 million over a three year period. For the first partnership, Vintages Insurance Marketing, LLC, gross receipts were underreported for the 2003, 2004, and 2005 tax years by approximately \$198,715, \$376,681, and \$75,533, respectively. For the second partnership, Vintages Wine Bar, LLC, gross receipts were underreported for the 2003, 2004,

and 2005 tax years by approximately \$24,814, \$212,309, and \$328,175, respectively.

An indictment contains allegations that a defendant has committed a crime. Every defendant is presumed to be innocent until proven guilty in court.

Baxi is scheduled to make his initial appearance in federal court this afternoon and which point the government will be asking that the defendant be detained until trial.

If convicted of the charges contained in the indictment, Baxi would receive a statutory maximum sentence of 18 years in federal prison.

This investigation was conducted by special agents with IRS Criminal Investigation.

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